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Before the Federal Communications Commission Washington, D.C. 20554

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SUPPLEMENT TO COMMENTS OF THE TELECOMMUNICATIONS ADVOCACY PROJECT IN SUPPORT OF VERIZON'S REQUEST FOR AUTHORITY TO PROVIDE LONG DISTANCE SERVICE IN MASSACHUSETTS

I. Introduction

The Telecommunications Advocacy Project (TAP) hereby supplements its Comments filed in the above captioned matter. On February 6, 2001, TAP filed comments with the Federal Communications Commission (FCC) on various issues concerning Verizon's 271 application. TAP supports FCC approval of the Verizon's application to provide long distance service in Massachusetts, pursuant to Section 271 of the Telecommunications Act of 1996. 47 U.S.C. §271, and hereby supplements the record with a letter from three members of Congress that do also.

II. <u>TAP believes that Verizon will Enhance Competition in the Massachusetts Long</u> Distance Market.

TAP has supported regulatory policies that allow Bell Operating Companies (BOCs) to enter the market and compete with incumbent long distance carriers on a level playing field. Without the entry of major new competitors for long distance service, incumbent carriers have less incentive to provide more innovative calling plans and compete for low volume users. There exists no viable competition other than Verizon in Massachusetts to exert pressure on incumbent carriers for more

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consumer choices and lower prices. Verizon can compete for low volume users by offering low-cost calling plans with no monthly or minimum usage fees, and provide low-cost bundled services and innovative plans to meet the particular needs of consumers and businesses. Verizon can provide a broad range of telecommunications services to disadvantaged areas at reasonable cost because its infrastructure is already in place in inner cities and rural areas in the state.

III. Verizon Has a Positive History of Providing Long Distance Service in New York.

Verizon's recent history in New York is the best and most compelling evidence of the benefits from long distance competition that would be available to all consumers in Massachusetts. In December 1999, Verizon (then Bell Atlantic) made history by becoming the first BOC to receive approval by the FCC to provide long distance service, and therefore was able to provide one-stop shopping for domestic and international telecommunications services to all of its New York based customers. Verizon challenged its major competitors by introducing several affordable and innovative calling plans, including bundled service options and a low-cost plan for low volume users. It has no monthly or minimum usage fees and consumers are automatically enrolled if they fail to select a more customized plan. Verizon also introduced several customized plans with competitive rates as low as 5 cents per minute during off-peak hours. For consumers looking for bundled service options, Verizon now offers a combination of services that meet the particular needs of consumers and lowers the total cost for these services.

Enclosed is a copy of a letter from three members of the New York Congressional Delegation in support of Verizon's efforts to expand its long distance authority. The letter signed by

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^{1.} In the Matter of Application by Bell Atlantic New York for Authorization under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York, Memorandum Opinion and Order, 15 FCCRcd 3953 at ¶426 (1999) (Bell Atlantic New York Order). Id. The Commission did not require Bell Atlantic to make a substantial additional showing that its participation in the long distance market will produce public interest benefits.

Congressmen Ed Towns, Eliot Engel and Gregory Meeks says "New York State has been cited as a model for other jurisdictions to follow in seeking similar authority to provide long distance service.

The example in New York sets the stage for similar transitions throughout the service region for Verizon, and should be a standard that is emulated by other common carriers."

TAP relies upon Verizon's record in New York as support for Verizon's 271 application in Massachusetts and urges the FCC to use measures that promote competition in the local and long distance telecommunications market in that state. Long distance competition will benefit consumers in Massachusetts, as it has in New York, by ensuring access to affordable, high quality services and new telecommunications technologies.

The recent Congressional letter supports that claim. In response to this major new competition in New York, AT&T, MCI/WorldCom and Sprint were forced to expand their services and offer more affordable and innovative plans. After Verizon entered the long distance market, these companies aggressively expanded into the local telephone market and introduced special, low-cost bundled services to give their customers more options. The three New York Congressmen, with their collective wisdom, agree that the new competitive environment brought about by Verizon's entry into long distance totally reshaped the New York telecommunications market and greatly benefitted consumers. According to the Congressional letter and a study of telephone competition in New York by the Telecommunications Research and Action Center,² the new competition has resulted in saving on residential customers long distance and local phone bills.

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^{2.} Telecommunications Research and Action Center, <u>A Study of Telephone Competition in New York</u>, Sept. 6, 2000.

Consumers switching to Verizon for long distance service, and consumers switching local service

to AT&T, MCI/WorldCom, Sprint and other local service companies are saving time and money.

The Members of Congress found that the long distance market in New York has received robust

competition and significant consumer savings in both long distance and local phone services due to

Verizon. As in New York, consumers in Massachusetts will also receive considerable benefits from

lower costs, more innovative plans and bundled service options resulting from Verizon's entry into

the long distance market.

IV. <u>Conclusion</u>

The FCC should move forward in implementing competition in the telecommunications

market in Massachusetts by approving Verizon's application to provide long distance service. The

recent letter from members of the New York Congressional Delegation strengthens TAP's belief that

Verizon's application will, if approved, bring great benefit to consumers in Massachusetts. New

York and Massachusetts consumers will immediately benefit from competition generated by

Verizon's entry into the long distance market. The FCC should resolve any legitimate issues

expeditiously and approve Verizon's application without delay.

Respectfully submitted,

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Enclosure

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Congress of the United States

Washington, DC 20515

February 16, 2001

Michael Powell Chairman Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Dear Chairman Powell:

The merger of two phone companies, Bell Atlantic and GTE to create the new telephone company, Verizon reflects the new dynamic of the telephone business. As members of the New York delegation, we want to acknowledge the positive effects that have occurred as a result of Verizon receiving authority to provide long distance service throughout the state of New York, pursuant to Section 271 of the Telecommunications Act of 1996.

For many years, consumers were denied choices in telephone service. When the Act was passed, a procedure was established that called for Regional Bell Operating Companies (RBOCs) to fulfill a lengthy checklist before the state utility commission and the Federal Communications Commission would grant authority to provide long distance service. Verizon satisfactorily fulfilled all of the criteria to receive state, and subsequently federal authority to provide long distance service in New York. New businesses have been created and long distance rates are more competitive as a result.

New York State has been cited as a model for other jurisdictions to follow in seeking similar authority to provide long distance service. The example in New York sets the stage for similar transitions throughout the service region for Verizon, and should be a standard that is emulated by other common carriers. Residents of the State of New York have begun to enjoy the benefits of local service competition, and we commend the regulators and principals who were instrumental in helping to manifest this reality.

Sincerely,

Edolphus "Ed" Towns Member of Congress Eliot Engel Member of Congress

Member of Congress

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CERTIFICATE OF SERVICE

I, Stanley R. Kelly, do hereby certify that a copy this Supplement to Comments has been served on the following individuals via first-class, postage prepaid mail on February 22, 2001:

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